

HOUSE BILL 738
By Bunch

AN ACT to amend Tennessee Code Annotated, Title 50,
Chapter 2, Part 1, relative to wages.

WHEREAS, economic stability and growth are among the most important factors affecting the general welfare of the people of this state, and that economic stability and growth are therefore among the most important matters for which the general assembly is responsible; and

WHEREAS, mandated wage rates comprise a major cost component for private enterprises and are among the chief factors affecting the economic stability and growth of this state; and

WHEREAS, local variations and mandated wage rates threaten many businesses with a loss of employees to areas which require higher mandated wage rates, threaten many other businesses with a loss of patrons to areas which allow lower mandated wage rates, and are therefore detrimental to the business environment of the state and to the citizens, businesses, and governments of the various political subdivisions as well as local labor markets; and

WHEREAS, in order for businesses to remain competitive and yet attract and retain the highest possible caliber of employees, private enterprises in this state must be allowed to function in a uniform environment with respect to mandated wage rates; and

WHEREAS, federal government has already set and enforced a stable mandated wage rate for the entire country; and

WHEREAS, wage disparity between political subdivisions of this state and this nation create an anticompetitive market that fosters job and business relocation.

SECTION 1. Tennessee Code Annotated, Title 50, Chapter 2, Part 1, is amended by adding the following language as a new, appropriately designated section:

Section 50-2-110.

(a) Notwithstanding the provisions of any law, charter, ordinance or resolution to the contrary, local government shall possess no authority to require a private employer to pay its employees any wage that is not required to be paid by such employer under applicable federal or state law.

(b) As used in this section, "local government" means a county, metropolitan or municipal government, or any agency or unit thereof or any other political subdivision of the state.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.